

# **RIVERSIDE COUNTY**

Audit Report

## **CHILD ABDUCTION AND RECOVERY PROGRAM**

Chapter 1399, Statutes of 1976; Chapter 162,  
Statutes of 1992; and Chapter 988, Statutes of 1996

*July 1, 1999, through June 30, 2002*



**STEVE WESTLY**  
California State Controller

January 2004



STEVE WESTLY  
California State Controller

January 14, 2004

The Honorable Robert Byrd  
Auditor-Controller  
Riverside County  
4080 Lemon Street, 11<sup>th</sup> Floor  
Riverside, CA 92502-1326

Dear Mr. Byrd:

The State Controller's Office has completed an audit of the claims filed by Riverside County for costs of the legislatively mandated Child Abduction and Recovery Program (Chapter 1399, Statutes of 1976; Chapter 162, Statutes of 1992; and Chapter 988, Statutes of 1996) for the period of July 1, 1999, through June 30, 2002.

The county claimed \$3,563,729 (\$3,564,729 in costs less a \$1,000 penalty for filing late) for the mandated program. Our audit disclosed that the entire amount is allowable. The county was paid \$2,177,201. Allowable costs claimed in excess of the amount paid, totaling \$1,386,528, will be paid by the State based on available appropriation.

If you have any questions, please contact Jim L. Spano, Chief, Compliance Audits Bureau, at (916) 323-5849.

Sincerely,

*Original Signed By:*

VINCENT P. BROWN  
Chief Operating Officer

VPB:jj

cc: Michael G. Alexander  
Audits and Specialized Accounting  
Auditor-Controller's Office  
Riverside County  
Cherry Arnold  
Administrative Manager  
District Attorney's Office  
Riverside County  
Calvin Smith, Program Budget Manager  
Corrections and General Government  
Department of Finance

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# Audit Report

## Summary

The State Controller's Office (SCO) has completed an audit of the claims filed by Riverside County for costs of the legislatively mandated Child Abduction and Recovery Program (Chapter 1399, Statutes of 1976; Chapter 162, Statutes of 1992; and Chapter 988, Statutes of 1996) for the period of July 1, 1999, through June 30, 2002. The last day of fieldwork was July 30, 2003.

The county claimed \$3,563,729 (\$3,564,729 in costs less a \$1,000 penalty for filing late) for the mandated program. The audit disclosed that the entire amount is allowable. The county was paid \$2,177,201. Allowable costs claimed in excess of the amount paid, totaling \$1,386,528, will be paid by the State based on available appropriations.

## Background

Chapter 1399, Statutes of 1976, requires counties to undertake specified activities to assist in the resolution of child custody problems, and to enforce child custody and visitation decrees, and any other court order in a child custody proceeding. Specifically, the law requires the District Attorney's Office to assist persons having legal custody of a child in locating their children when they are unlawfully taken away; in gaining enforcement of custody and visitation decrees and orders to appear; in defraying expenses related to the return of an illegally detained, abducted, or concealed child, in proceedings with civil court actions; and in guaranteeing the appearance of offenders and minors in court actions.

On September 19, 1979, the State Board of Control, predecessor agency to the Commission on State Mandates, determined that Chapter 1399, Statutes of 1976, resulted in state mandated costs that are reimbursable pursuant to Title 2, Division 4, Part 7, of the *Government Code*.

*Parameters and Guidelines*, adopted by the Commission on State Mandates, establishes state mandates and defines criteria for reimbursement. In compliance with *Government Code* Section 17558, the SCO issues claiming instructions for each mandate requiring state reimbursement to assist local agencies in claiming reimbursable costs.

## Objective, Scope, and Methodology

The audit objective was to determine whether costs claimed are increased costs incurred as a result of the legislatively mandated Child Abduction and Recovery Program (Chapter 1399, Statutes of 1976; Chapter 162, Statutes of 1992; and Chapter 988, Statutes of 1996) for the period of July 1, 1999, through June 30, 2002.

The auditor performed the following procedures:

- Reviewed the costs claimed to determine if they were increased costs resulting from the mandated program;
- Traced the costs claimed to the supporting documentation to determine whether the costs were properly supported;

- Confirmed that the costs claimed were not funded by another source; and
- Reviewed the costs claimed to determine that the costs were not unreasonable and/or excessive.

The SCO conducted the audit in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. The SCO did not audit the county's financial statements. The scope was limited to planning and performing audit procedures necessary to obtain reasonable assurance concerning the allowability of expenditures claimed for reimbursement. Accordingly, transactions were examined, on a test basis, to determine whether the amounts claimed for reimbursement were supported.

Review of the county's management controls was limited to gaining an understanding of the transaction flow and claim preparation process as necessary to develop appropriate auditing procedures.

## Conclusion

For the audit period, Riverside County claimed \$3,563,729 (\$3,564,729 in costs less a \$1,000 penalty for filing late) for expenditures incurred as a result of the legislatively mandated Child Abduction and Recovery Program. The audit disclosed no material instances of noncompliance with the requirements outlined above.

For fiscal year (FY) 1999-2000, the county was paid \$878,892 by the State. The audit disclosed that the entire amount is allowable.

For FY 2000-01, the county was paid \$498,309 by the State. The audit disclosed that \$1,263,804 is allowable. Allowable costs claimed in excess of the amount paid, totaling \$765,495, will be paid by the State based on available appropriations.

For FY 2001-02, the county was paid \$800,000 by the State. The audit disclosed that \$1,421,033 is allowable. Allowable costs claimed in excess of the amount paid, totaling \$621,033, will be paid by the State based on available appropriations.

## Views of Responsible Officials

The audit results were discussed with the county's representatives during an exit conference held on July 30, 2003. Michael Alexander, Chief Accountant, Dale Mangrum and Teresita Soriano, Senior Accountants, Auditor-Controller's Office, and Cherry Arnold, Administrative Manager, District Attorney's Office, agreed with the audit results. They further agreed that a draft audit report was not necessary and that the audit report could be issued as final.

**Restricted Use**

This report is solely for the information and use of Riverside County, the California Department of Finance, and the SCO; it is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

*Original Signed By:*

JEFFREY V. BROWNFIELD  
Chief, Division of Audits

**Schedule 1—  
Summary of Program Costs  
July 1, 1999, through June 30, 2002**

<u>Cost Elements</u>	<u>Actual Costs Claimed</u>	<u>Allowable per Audit</u>	<u>Audit Adjustments</u>
<u>July 1, 1999, through June 30, 2000</u>			
Direct costs:			
Salaries	\$ 435,270	\$ 435,270	\$ —
Benefits	105,542	105,542	—
Services and supplies	—	—	—
Training and travel	<u>110,126</u>	<u>110,126</u>	<u>—</u>
Total direct costs	650,938	650,938	—
Indirect costs	<u>228,763</u>	<u>228,763</u>	<u>—</u>
Total costs	879,701	879,701	—
Less offsetting savings/reimbursements	<u>(809)</u>	<u>(809)</u>	<u>—</u>
Subtotals	878,892	878,892	—
Less late filing penalty	<u>—</u>	<u>—</u>	<u>—</u>
Total reimbursable costs	<u>\$ 878,892</u>	878,892	<u>\$ —</u>
Less amount paid by the State		<u>(878,892)</u>	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ —</u>	
<u>July 1, 2000, through June 30, 2001</u>			
Direct costs:			
Salaries	\$ 565,329	\$ 565,329	\$ —
Benefits	130,427	130,427	—
Services and supplies	140,207	140,207	—
Training and travel	<u>137,622</u>	<u>137,622</u>	<u>—</u>
Total direct costs	973,585	973,585	—
Indirect costs	<u>292,219</u>	<u>292,219</u>	<u>—</u>
Total costs	1,265,804	1,265,804	—
Less offsetting savings/reimbursements	<u>(1,000)</u>	<u>(1,000)</u>	<u>—</u>
Subtotals	1,264,804	1,264,804	—
Less late filing penalty	<u>(1,000)</u>	<u>(1,000)</u>	<u>—</u>
Total reimbursable costs	<u>\$ 1,263,804</u>	1,263,804	<u>\$ —</u>
Less amount paid by the State		<u>(498,309)</u>	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 765,495</u>	

**Schedule 1 (continued)**

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustments
<u>July 1, 2001, through June 30, 2002</u>			
Direct costs:			
Salaries	\$ 595,863	\$ 595,863	\$ —
Benefits	149,048	149,048	—
Services and supplies	187,416	187,416	—
Training and travel	<u>132,637</u>	<u>132,637</u>	<u>—</u>
Total direct costs	1,064,964	1,064,964	—
Indirect costs	<u>356,069</u>	<u>356,069</u>	<u>—</u>
Total costs	1,421,033	1,421,033	—
Less offsetting savings/reimbursements	<u>—</u>	<u>—</u>	<u>—</u>
Subtotals	1,421,033	1,421,033	—
Less late filing penalty	<u>—</u>	<u>—</u>	<u>—</u>
Total reimbursable costs	<u>\$ 1,421,033</u>	1,421,033	<u>\$ —</u>
Less amount paid by the State		<u>(800,000)</u>	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 621,033</u>	
<u>Summary: July 1, 1999, through June 30, 2002</u>			
Direct costs:			
Salaries	\$ 1,596,462	\$ 1,596,462	\$ —
Benefits	385,017	385,017	—
Services and supplies	327,623	327,623	—
Training and travel	<u>380,385</u>	<u>380,385</u>	<u>—</u>
Total direct costs	2,689,487	2,689,487	—
Indirect costs	<u>877,051</u>	<u>877,051</u>	<u>—</u>
Total costs	3,566,538	3,566,538	—
Less offsetting savings/reimbursements	<u>(1,809)</u>	<u>(1,809)</u>	<u>—</u>
Subtotals	3,564,729	3,564,729	—
Less late filing penalty	<u>(1,000)</u>	<u>(1,000)</u>	<u>—</u>
Total reimbursable costs	<u>\$ 3,563,729</u>	3,563,729	<u>\$ —</u>
Less amount paid by the State		<u>(2,177,201)</u>	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 1,386,528</u>	

**State Controller's Office  
Division of Audits  
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